



New Jersey Housing  
and Mortgage  
Finance Agency

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The New Jersey Housing and Mortgage Finance Agency ("Agency") is proposing amendments to its rent increase rules. The full text of the proposed rent increase rule amendments is available in the September 16, 2002 New Jersey Register.

The Agency rent increase regulations govern the Agency's procedures for reviewing and approving rent increases in subsidized and non-subsidized housing developments financed by the Agency. The Agency is proposing amendments to the rent increase regulations that will affect only non-subsidized Agency-financed developments.

Specifically, it is being proposed that these developments be permitted to implement an annual rent increase without submitting a rent increase application, provided the increase does not exceed the lesser of three percent of the current rent or the percentage change in the overall Consumer Price Index for New York-Northeastern New Jersey as of September 30 of every given year. The Agency will notify each subject property on an annual basis of the amount of the new index. Any requested increase greater than that determined by the foregoing calculation must go through the complete rent increase approval process.

It is expected that the proposed amendments will make the Agency rent increase process easier for residents and owners to understand in that the process will now be similar to that used by many municipalities. It is also expected that the projected implementation of small rent increases on a regular basis will prevent the need for larger increases over time, thereby spreading out the financial burden on residents and enabling them to prepare and adhere to personal budgets.

In addition, if these proposed rules are availed of, rent increase amounts will be stabilized at a reasonable level. Any rent increase can be expected to have a negative economic impact on tenants, but the proposed amendments provide an incentive for owners to limit the amount of requested increases. Further, the new policy will enable tenants to budget for and receive relatively level amounts of small, annual increases as opposed to larger, more irregular increases.

For more information about the Register and Code, please contact Customer Services at the Office of Administrative Law at (609) 588-6606. To comment upon the proposed amendments, send written comments by December 16, 2002 to:

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